

News Release



BASF announces sponsorship of new industry study

“Finding Common Ground: A Claims Perspective”

SOUTHFIELD, MI, March 10, 2009 – BASF Automotive Refinish Solutions today announced that it is sponsoring a unique and innovative initiative designed to give insurers an opportunity to provide their perspective on auto physical damage (APD) issues related to the collision repair industry.

The study is a logical extension of BASF's sponsorship of the 2005 Carlew & Associates *Excellence in DRP* study that provided repairers with an opportunity to express their views on the direct repair program (DRP) business model to insurers and the industry at large.

The new study titled, *Finding Common Ground: A Claims Perspective*, will not focus on DRP alone, as several insurers do not have traditional DRP programs. Also there is a significant percentage of APD claims processed and repaired outside of the DRP environment.

“The long term viability of our industry is dependent on new approaches to communication and collaboration between key segments,” said Guy Bargnes, National Sales Director for BASF Automotive Refinish. “As an industry, we need to find productive ways of identifying areas of common concern and pathways to their resolution. As with *Excellence in DRP*, we believe our customers and the industry as a whole will benefit from the methodology and results of this study.”

BASF has contracted with Square One Systems, Inc. and Condon Consulting, LLC to conduct the study. Square One Systems helped Carlew & Associates design and conduct the *Excellence in DRP* study and brings years of repairer-based expertise to

For more information contact:

Sue Jaszowski
BASF Corporation
Tel: (248) 948-2253
E-mail:
susan.jaszowski@basf.com

BASF Corporation
100 Campus Drive
Florham Park, New Jersey 07932
<http://www.basf.com/usa>

News Release



this effort. Condon Consulting, LLC has broad APD expertise from the insurer's perspective and enjoys a solid reputation within the repairer and supplier communities.

"These two partners bring experience, integrity and credibility to this unique effort," said Darlene Eilenberger, Director of Marketing for BASF Coatings North America. "Given these attributes, we believe forward thinking insurers will be receptive to the study as it provides the opportunity for insurers to express their open concerns and issues with the repair industry, just as the *Excellence in DRP* study gave repairers the opportunity to express their concerns. It is by better understanding the concerns of others that we are able to find more common ways to work better together."

BASF is committed to helping members of the industry better understand the concerns of others in hopes that the industry as a whole is able to find more common ways to work better together.

"Simply knowing some of the points of contention allows for greater opportunity for resolution," said Bargnes. "The focus of this study is not to precipitate that contention, but to start a discussion."

"Current inter-industry forums are challenged to solicit the breadth and depth of insurer feedback necessary to develop a comprehensive perspective on their issues," said Michael Condon, President of Condon Consulting, LLC. "This study is designed to be broad in scale, attempting to reach the top ten insurers and beyond to ensure comprehensive representation of diverse viewpoints and varying business models."

BASF plans to hold insurer meetings throughout the second quarter of 2009.

News Release



Results of the study will be available in approximately six months and will be made accessible to the industry upon completion.

To learn more about BASF Automotive Refinish Solutions, go to www.basfrefinish.com.

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